



PRESS RELEASE

Internal Revenue Service - Criminal Investigation *Chief Richard Weber*

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IRS – Criminal Investigation

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West Virginia Business Owners Indicted for Failing to Pay Employment Taxes

A federal grand jury sitting in Charleston, West Virginia returned an indictment on May 25, charging two West Virginia business owners with federal employment tax violations, Acting Assistant Attorney General Caroline D. Ciralo of the Justice Department's Tax Division and Acting U.S. Attorney Carol A. Casto for the Southern District of West Virginia announced today.

The indictment charges Michael Taylor and Jeanette Taylor, a married couple who reside in Wayne, West Virginia, with one count of conspiracy to defraud the United States by impeding the Internal Revenue Service (IRS) in the collection of employment taxes withheld from the wages of the employees of their businesses, Taylor Contracting/Taylor Ready-Mix LLC and Bluegrass Aggregates LLC, which were in the business of transporting steel and the sale of gravel and concrete. The couple is also charged with one count of willfully failing to truthfully account for and pay over employment tax withheld for their employees at Taylor Contracting/Taylor Ready-Mix LLC.

According to the indictment, both Michael Taylor and Jeanette Taylor had the responsibility to collect, truthfully account for and pay over to the IRS federal income, social security and Medicare taxes withheld from the wages of their employees. From the quarter ending Sept. 30, 2007, through the quarter ending Dec. 31, 2009, the Taylors withheld approximately \$1,002,392 in payroll taxes from employees' paychecks at Taylor Contracting/Taylor Ready-Mix LLC and during the 2010 calendar year, they withheld approximately \$161,218 in payroll taxes from employees' paychecks at Bluegrass Aggregates LLC. However, the Taylors failed to fully pay over these taxes to the IRS and instead used the money to make expenditures for their personal benefit, such as making payments towards their personal credit cards and a horse farm.

If convicted, the Taylors face a statutory maximum sentence of five years in prison and a maximum fine of \$250,000 for each count. They also face a term of supervised release and an order of restitution.

An indictment merely alleges that crimes have been committed. The defendants are presumed innocent until proven guilty beyond a reasonable doubt.

Acting Assistant Attorney General Ciraolo and Acting U.S. Attorney Casto commended special agents of IRS-Criminal Investigation, who investigated the case and Trial Attorneys Mara Strier and Alexander Effendi of the Tax Division, who are prosecuting this case.

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